

House File 752 - Introduced

HOUSE FILE _____
BY COMMITTEE ON AGRICULTURE

(SUCCESSOR TO HF 445)

Passed House, Date _____ Passed Senate, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act relating to renewable fuel, by providing for labeling
2 requirements, and providing for the extension of a tax credit.
3 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
4 TLSB 2307HV 83
5 da/nh/8

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1 1 Section 1. Section 214A.2, subsection 5, Code 2009, is
1 2 amended to read as follows:
1 3 5. Ethanol blended gasoline shall be designated E=xx where
1 4 "xx" is the volume percent of ethanol in the ethanol blended
1 5 gasoline and biodiesel fuel shall be designated B=xx where
1 6 "xx" is the volume percent of biodiesel.
1 7 Sec. 2. Section 214A.3, subsection 2, paragraph b,
1 8 subparagraph (2), Code 2009, is amended to read as follows:
1 9 (2) ~~Biodiesel fuel shall be designated according to its~~
1 10 ~~classification as provided in section 214A.2. A person shall~~
1 11 ~~not knowingly falsely advertise biodiesel blended fuel by~~
1 12 ~~using an inaccurate designation in violation of this~~
1 13 ~~subparagraph its classification as provided in section 214A.2.~~
1 14 Sec. 3. Section 214A.5, Code 2009, is amended to read as
1 15 follows:
1 16 214A.5 ~~SALES SLIP ON DEMAND DOCUMENTATION.~~
1 17 1. A wholesale dealer or retail dealer shall, when making
1 18 a sale of motor fuel, give to a purchaser upon demand a sales
1 19 slip.
1 20 2. ~~A wholesale dealer selling ethanol blended gasoline or~~
1 21 ~~biodiesel blended fuel to a purchaser shall provide the~~
1 22 ~~purchaser with a statement indicating its designation as~~
1 23 ~~provided in section 214A.2. The statement may be on the sales~~
1 24 ~~slip provided in this section or a similar document, including~~
1 25 ~~but not limited to a bill of lading or invoice.~~
1 26 Sec. 4. Section 214A.16, subsection 1, Code 2009, is
1 27 amended to read as follows:
1 28 1. a. ~~If motor fuel containing a renewable fuel ethanol~~
1 29 ~~blended gasoline is sold from a motor fuel pump, the pump~~
1 30 ~~shall have affixed a decal identifying the name of the~~
1 31 ~~renewable fuel ethanol blended gasoline. The decal shall be~~
1 32 ~~different based on the type of renewable fuel dispensed. If~~
1 33 ~~the motor fuel pump dispenses ethanol blended gasoline~~
1 34 ~~classified as higher than standard ethanol blended gasoline~~
1 35 ~~pursuant to section 214A.2, the decal shall contain the~~
2 1 following notice: "FOR FLEXIBLE FUEL VEHICLES ONLY".
2 2 b. ~~If biodiesel fuel is sold from a motor fuel pump, the~~
2 3 ~~pump shall have affixed a decal identifying the biodiesel fuel~~
2 4 ~~as provided in 16 C.F.R. pt. 306.~~
2 5 Sec. 5. Section 422.11P, subsection 6, Code 2009, is
2 6 amended to read as follows:
2 7 6. This section is repealed January 1, ~~2012~~ 2015.
2 8 Sec. 6. Section 422.33, subsection 11C, paragraph d, Code
2 9 2009, is amended to read as follows:
2 10 d. This subsection is repealed on January 1, ~~2012~~ 2015.
2 11 Sec. 7. Section 452A.12, subsection 2, Code 2009, is
2 12 amended to read as follows:
2 13 2. A person while transporting motor fuel or undyed
2 14 special fuel from a refinery or marine or pipeline terminal in
2 15 this state or from a point outside this state over the
2 16 highways of this state in service other than that under
2 17 subsection 1 shall carry in the vehicle a loading invoice
2 18 showing the name and address of the seller or consignor, the

2 19 date and place of loading, and the kind and quantity of motor
2 20 fuel or special fuel loaded, together with invoices showing
2 21 the kind and quantity of each delivery and the name and
2 22 address of each purchaser or consignee. An invoice carried
2 23 pursuant to this subsection for ethanol blended gasoline or
2 24 biodiesel blended fuel shall state its designation as provided
2 25 in section 214A.2.

2 26 Sec. 8. 2006 Iowa Acts, chapter 1142, section 49,
2 27 subsection 5, is amended to read as follows:
2 28 5. For a retail dealer who may claim a biodiesel blended
2 29 fuel tax credit under section 422.11P or 422.33, subsection
2 30 11C, as enacted in this Act, in calendar year ~~2011~~ 2014 and
2 31 whose tax year ends prior to December 31, ~~2011~~ 2014, the
2 32 retail dealer may continue to claim the tax credit in the
2 33 retail dealer's following tax year. In that case, the tax
2 34 credit shall be calculated in the same manner as provided in
2 35 section 422.11P or 422.33, subsection 11C, as enacted in this
3 1 Act, for the remaining period beginning on the first day of
3 2 the retail dealer's new tax year until December 31, ~~2011~~ 2014.
3 3 For that remaining period, the tax credit shall be calculated
3 4 in the same manner as a retail dealer whose tax year began on
3 5 the previous January 1 and who is calculating the tax credit
3 6 on December 31, ~~2011~~ 2014.

3 7 EXPLANATION

3 8 This bill applies to the sale or distribution of renewable
3 9 fuel as regulated by the department of agriculture and land
3 10 stewardship under Code chapter 214A, and specifically ethanol
3 11 blended fuel (designated as E=xx where "xx" is the volume
3 12 percent of ethanol contained in ethanol blended gasoline and
3 13 B=xx where "xx" is the volume percent of biodiesel contained
3 14 in biodiesel blended fuel). The bill requires a motor fuel
3 15 distributor to state on an invoice or other document the
3 16 renewable fuel designation.

3 17 The bill provides that a retail dealer who sells biodiesel
3 18 fuel must affix a decal to the motor fuel pump identifying the
3 19 biodiesel fuel when it contains a certain percentage of
3 20 biodiesel (e.g., B=5) as provided by federal law, and
3 21 specifically regulations adopted by the federal trade
3 22 commission. The bill eliminates a state requirement that
3 23 provides for the general labeling of biodiesel fuel sold at
3 24 motor fuel pumps that contain any biodiesel.

3 25 The bill amends provisions creating a biodiesel blended
3 26 fuel tax credit available to a retail dealer of biodiesel
3 27 blended fuel during each tax year until the tax credit expires
3 28 on January 1, 2012. The bill extends the expiration date
3 29 until January 1, 2015.

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